

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

**In re:**

**GENERAL MOTORS CORP., *et al.*,  
  
Debtors.**

**Chapter 11**

**Case No. 09-50026 (REG)**

**(Jointly Administered)**

**UNITED STATES STEEL CORPORATION'S OBJECTION TO THE NOTICE OF (I)  
DEBTORS' INTENT TO ASSUME AND ASSIGN CERTAIN EXECUTORY  
CONTRACTS, UNEXPIRED LEASES OF PERSONAL PROPERTY, AND UNEXPIRED  
LEASES OF NONRESIDENTIAL REAL PROPERTY AND (II) CURE AMOUNTS  
RELATED THERETO**

United States Steel Corporation ("U. S. Steel"), by and through its undersigned counsel, files this objection (the "Objection") to the Notice of (I) Debtors' Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Nonresidential Real Property and (II) Cure Amounts Related Thereto. In support of the Objection, U. S. Steel respectfully states as follows:

**FACTUAL BACKGROUND**

1. On June 1, 2009 (the "Petition Date"), each of the Debtors filed voluntary petitions for relief under chapter 11 of the United States Code, 11 U.S.C. §§ 101 et seq., (the "Bankruptcy Code"). Since filing their petitions for relief, the Debtors have continued to operate their businesses and have maintained possession of their assets as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

2. On June 2, 2009, the Court entered the Order Pursuant to 11 U.S.C. §§ 105, 363, and 365 and Fed. R. Bankr. P. 2002, 6004, and 6006 (I) Approving Procedures for Sale of Debtors' Assets Pursuant to Master Sale and Purchase Agreement with Vehicle Acquisition Holdings LLC, as U.S. Treasury-Sponsored Purchaser; (II) Scheduling Bid Deadline and Sale

Hearing Date; (III) Establishing Assumption and Assignment Procedures; and (IV) Fixing Notice Procedures and Approving Form of Notice (the “Bidding Procedures Order”) [Docket No. 274].

3. Subsequent to entry of the Bidding Procedures Order, U. S. Steel received the Notice of (I) Debtors’ Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Nonresidential Real Property and (II) Cure Amounts Related Thereto (the “Notice”), which is dated June 5, 2009.

4. According to the Notice, all assumable executory contracts and their respective cure amounts are listed on a secured website (the “Contracts Website”). All parties to the assumable executory contracts were given access information to the Contract Website.

5. The Contract Website contains inaccurate information concerning the cure amounts associated with U. S. Steel’s contracts with the Debtors and contains the incorrect contracts related to U. S. Steel.

### **OBJECTION**

6. Pursuant to Section 365(b)(1) of the Bankruptcy Code, a debtor seeking to assume an unexpired lease or executory contract must (1) cure, or provide adequate assurance that it will promptly cure, all defaults under the lease or contract, (2) compensate the counterparty to the lease or contract for an pecuniary loss to such party resulting from any defaults under the lease or contract, and (3) provide the counterparty to the lease or contract with adequate assurance of future performance under the lease or contract. 11 U.S.C. § 365(b)(1).

7. The contracts listed on the Contracts Website as related to U. S. Steel are incorrect.

8. The cure amounts listed on the Contracts Website as related to U. S. Steel’s contracts are incorrect.

9. The proper total cure amount associated with the correct executory contracts presently at issue between the Debtors and U. S. Steel is \$7,428,711.10 (the “Proper Cure Amount”).

WHEREFORE, U. S. Steel respectfully requests that the Court enter an order (i) preserving the right of U. S. Steel to determine the proper cure amounts associated with the correct U. S. Steel contracts to be assumed and assigned by the Debtors; (ii) requiring the Debtors to correct the Contracts Website as to U. S. Steel’s contracts and cure amounts or provide U. S. Steel with correct information in another manner; (iii) denying the proposed assumption and assignment of U. S. Steel’s contracts unless and until the Debtors agree to pay the Proper Cure Amount; and (iv) granting such other and further relief to U. S. Steel as is just and proper.

REED SMITH LLP

Date: June 12, 2009  
New York, NY

By: /s/ Mark D. Silverschotz  
Mark D. Silverschotz (MS-8393)  
599 Lexington Avenue  
22<sup>nd</sup> Floor  
New York, NY 10022  
Telephone: (212) 521-5400  
Facsimile: (212) 521-5450  
Email:

- and -

Kurt F. Gwynne  
1201 N. Market Street  
Suite 1500  
Wilmington, DE 19801  
Telephone: (302) 778-7500  
Facsimile: (302) 778-7575  
Email: kgwynne@reedsmith.com